

59-2-301.3 Definitions -- Assessment of real property subject to a low-income housing covenant.

- (1) As used in this section:
 - (a) "low-income housing covenant" means an agreement:
 - (i) between:
 - (A) the Utah Housing Corporation; and
 - (B) an owner of real property upon which residential rental housing is located; and
 - (ii) in which the owner described in Subsection (1)(a)(i)(B) agrees to limit the amount of rent that a renter may be charged for the residential rental housing; and
 - (b) "residential rental housing" means housing that:
 - (i) is used:
 - (A) for residential purposes; and
 - (B) as a primary residence; and
 - (ii) is rental property.
- (2) A county assessor shall, in determining the fair market value of real property subject to a low-income housing covenant, take into account all relevant factors that affect the fair market value of the property, including:
 - (a) the information provided in Subsection (3); and
 - (b) any effects the low-income housing covenant may have on the fair market value of the real property.
- (3)
 - (a) Except as provided in Subsection (3)(b), to have a county assessor take into account a low-income housing covenant under Subsection (2), the owner of a property subject to a low-income housing covenant shall, by April 30 of each year, provide to the county assessor:
 - (i) a signed statement from the property owner that the project continues to meet the requirements of the low-income housing covenant;
 - (ii) a financial operating statement for the property for the prior year;
 - (iii) rent rolls for the property for the prior year; and
 - (iv) federal and commercial financing terms and agreements for the property.
 - (b) If the April 30 described in Subsection (3)(a) falls within the first 12 months after a low-income housing operation begins on the property, a property owner shall provide estimates of the information required by Subsections (3)(a)(ii) through (iv).
- (4) If the owner of a property subject to a low-income housing covenant fails to meet the requirements of Subsection (3):
 - (a) the assessor shall:
 - (i) make a record of the failure to meet the requirements of Subsection (3); and
 - (ii) make an estimate of the fair market value of the property in accordance with Subsection (2) based on information available to the assessor; and
 - (b) subject to Subsection (5), the owner shall pay a penalty equal to the greater of:
 - (i) \$250; or
 - (ii) 5% of the tax due on the property for that year.
- (5)
 - (a) Only one penalty per year may be imposed per housing project subject to a low-income housing covenant.
 - (b) Upon making a record of the action, and upon reasonable cause shown, an assessor may waive, reduce, or compromise the penalty imposed under Subsection (4)(b).

Amended by Chapter 31, 2012 General Session

